

Meeting date: 21 January 2021
Report to: CPH Stronger & Safer Communities
Decision Session



Subject/report title: Removal of Library Fines & Reservation Charges
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Wards affected:

All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph: Select an Exemption paragraph from the Quick Parts drop-down list

1. Purpose of Report

1.1 To consider proposed changes to library fees and charges and abolish fines for all library customers from 1st April 2021, in order to remove barriers to accessing library services.

2. Decision(s) recommended

2.1 To cease charging library fines for the late return of items with effect from 1st April 2021.

2.2 To retain charges for lost and damaged items.

2.3 To cease charging residents reservation fees for items already in stock or on order at any Solihull Libraries.

2.4 To approve that, when COVID restrictions are lifted, the council will seek to recover all outstanding loans, will charge replacement fees in the event of a non-return but will not levy fines that would have arisen since the beginning of the Coronavirus situation.

3. Matters for Consideration

3.1 Historically, public libraries have always levied fines for the late return of items. The primary purpose of this practice was to act as a deterrent to people holding on to books,

etc. beyond the loan expiry. In recent years, inconsistencies of approach have arisen (e.g. there are no fines for customers of the Home Library Service nor for e-books, which has been a steadily growing component of the service).

- 3.2 In Solihull, fines are charged at a rate of 30p per day for adults and 15p per day for children, to a maximum of £13.00 for adults and £6.50 for children. For the last two years the fines rates have remained static as any increase in charges was deemed to create a negative impact on the use of the service and conflict with the aspirations for our service, particularly in areas of deprivation and amongst marginalised user groups who benefit most from the library service.
- 3.3 There is a growing trend across the country to cease the practice of levying fines. Its efficacy is questionable, with some customers holding on to books because they cannot afford fines – actually having the opposite effect of what is intended, and creating additional cost to the service. In addition, evidence suggests fines are a barrier to access for those that can least afford to pay those charges (for both new and existing customers). This has wider impact in terms of social disbenefit (e.g. people who then do not have access to a computer, older people who lose out on social contact, etc.).
- 3.4 Similar discrepancies in approach have arisen with regard to reservation fees, depending on which library a customer visits or whether they are reserving e-resources or through the Home Library Service.
- 3.5 The average fine per borrowing is £3.20 but the administration of the fines/charges system is resource intensive, requiring cash handling/collection and additional modules for self-service machines. Consequently, the associated revenue costs are relatively significant compared with the income generated by an individual library. Enquiries from customers also absorb staff time, which could be better focused on core purposes.
- 3.6 In 2020, the council introduced a new library management system with significant new functionality to automatically remind customers about due or overdue items, and then to freeze accounts to prevent further activity before the issue is resolved. Notwithstanding this report, it is anticipated this will result in a fall in fine income.
- 3.7 In the event that fines were not levied in future, it would still be necessary to make charges for lost or damaged items (to cover replacement costs). This could be paid in libraries or through the council's usual payment channels, having been identified as a sundry debt on the council's system.
- 3.8 As a result of the Covid situation, the council has taken a flexible approach to the return of books and other loaned items. Loan periods have effectively been open-ended, recognising the difficulty for many people of returning books given the restrictions and limited opening of libraries. When libraries move out of the Covid restrictions, the management system will start issuing reminders to borrowers, who will also be contacted proactively by library staff. In light of the unusual circumstances over the last few months, it is proposed that charges should only be levied when an item is not returned; there would be no fines for late returns.

4. What options have been considered and what is the evidence telling us about them?

4.1 **Option 1:** Library fines and reservation charges could remain at their current level but the opportunity to introduce a change to increase library usage and physical stock issues would be lost, whilst also maintaining barriers to access.

4.2 **Option 2:** In relation to book reservation charges, there is an option to apply the reservation charge to all customers requiring a book from stock. It is anticipated that this would result in a significantly higher level of complaints from customers who have previously used The Core Library and Home Library Service compared to the loss of income and positive impact from removing the charge for everyone.

4.3 **Option 3:** For the service to continue to apply fines to unreturned items but to offer regular amnesties.

We could undertake regular amnesties. Previous amnesties have not been successful in achieving the returning of stock but do generate positive publicity. However, they are costly and staff intensive to implement and are a short-term fix as customers that generate fines often continue to disuse the service.

4.4 **Option 4:** (preferred option) To no longer charge customers for fines and reservations fees from April 2021. Customers will still be liable for the replacement cost of any items they fail to return, having received a number of reminders.

This option would remove known barriers to access, promote inclusivity and would ensure that those most in need of the service are not deterred or disadvantaged in any way. The campaign would allow us to re-engage with lapsed users of the service as well as attracting new users.

The removal of reservation charges in addition to fines would ensure an equitable and consistent customer offer with the potential for an increase in reservations, book issues and increased use of the stock, therefore maintaining a value for money public offer.

5. Reasons for recommending preferred option

5.1 **Option 4** is the preferred option: Removing fines and reservations charges will improve the accessibility of service, particularly for those most likely to need it and improve the quality of service by releasing staff to support customer enquiries and activities.

This option which will result in a reduction in annual income to the council of £45,000 but will also generate a number of savings against the costs of administering the current regime of fines which will offset the impact.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
Economy:	N/A

<ol style="list-style-type: none"> 1. Revitalising our towns and local centres. 2. UK Central (UKC) and maximising the opportunities of HS2. 3. Increase the supply of housing, especially affordable and social housing. 	
<p>Environment:</p> <ol style="list-style-type: none"> 4. Enhance Solihull's natural environment. 5. Improve Solihull's air quality. 6. Reduce Solihull's net carbon emissions. 	N/A
<p>People and Communities:</p> <ol style="list-style-type: none"> 7. Take action to improve life chances in our most disadvantaged communities. 8. Enable communities to thrive. 9. Sustainable, quality, affordable provision for adults & children with complex needs. 	<p>The change to fees and charges are being proposed to ensure that barriers to accessing the library service reduce, our charges are consistently applied and that the most disadvantaged have access to the full range of offers available across our digital and physical offers.</p>

6.2 Consultation and Scrutiny:

6.2.1 N/A

6.3 Financial implications:

6.3.1 The features of the new library management system should reduce the levels of fines generated through new notifications, which alert customers to return items on time.

6.3.2 Savings of £20,000 have been identified through reduced cash handling and processing charges and reducing staff hours required to undertake reconciliations of cash collected. Staff savings will be delivered through deletion of vacant posts.

6.3.3 In future the requirements for till equipment and cash kiosks in libraries will be reduced as there will be far fewer payments to process. This will result in some equipment having an extended useful life before replacement, and some equipment not being replaced at all as it will no longer be used. It is therefore recommended that the current annual contribution of £21,000 to the Library Services reserve which is used in part for replacement of equipment can be reduced by £5,000. The current balance of the reserve is £209,000 and the level of the budgeted contribution will continue to be reviewed on an on-going basis to ensure a sufficient balance is held for future investments required in the service.

6.3.4 The remaining £20,000 will be found from deletion of further vacancies within the service reflecting reductions in time spent chasing items which have not been returned that will now be largely automated through the new Library Management System, and also taking collection of payment of fines which will no longer be required with the new approach.

6.4 Legal Implications:

6.4.1 The recommendations in this report are consistent with the general statutory duty of the council under Section 7 of the Public Libraries and Museums Act 1964 to provide a comprehensive and efficient library service for residents for all persons who wish to make use of it.

6.4.2 Regulation 3 of the Library Charges (England and Wales) Regulations 1991 enables library authorities to impose charges in respect of borrowed library material which is returned late. The amount and the incidence of any charge made in accordance with Regulation 3 is at the discretion of the library authority and the library authority may make different provision for different cases including different provision in relation to different persons, circumstances or localities. As the power to impose charges is discretionary, the Council may remove such charges if it wishes.

6.5 Risk Implications:

6.5.1 Removal of library fines could result in the non-return of library items, reducing available stock and affecting supply times for reserved items. This would be mitigated by changes to increase the robustness of the current electronic overdue notification process.

6.5.2 Procedures and alert from the Library Management System will prevent customers from continuing to borrow items if they already have items overdue. Further mitigation is in place to reduce the likelihood of late or non-returns by sending early email reminders to customers.

6.5.3 The removal of reservation charges could create an increase in the movement of stock. If this occurs a limit in the number of reservations will be applied for 2021/2022.

6.6 Equality Implications:

6.6.1 An equality impact assessment has been undertaken for the proposed change of policy. This demonstrated that there will only be positive equality implications.

6.6.2 Removing barriers to borrowing and returning books will increase the socio economic benefits for residents particularly those from disadvantaged backgrounds or who have financial barriers to accessing services.

7. List of appendices referred to

7.1 N/A

8. Background papers used to compile this report

8.1 N/A

9. List of other relevant documents

9.1 N/A